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NSC BRIEFING

28 October 1954

## SITUATION IN SOUTH VIETNAM

- I. General Hinh appears willing to accept uneasy, superficial, probably shortlived truce with government.
  - A. Expressed basic feeling in telling

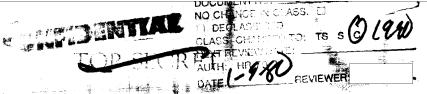
    General O'Daniel if US aid cut off one

    day he would sieze Diem next day and

    wet up military government.
  - But finally agreed to exhort army to support "present government" with-

JCS review completed.

DIA review completed.



ILLEGIB

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Approved For Release 2009/04/22 : CIA-RDP79R00890A000400020053-3 TOP SECRET Hinh's record with previous government as well as present offers ao hope any real modus vivendi in sight. Bay Vien, Birth Kuyen chief, has yet to make even superficial peace offer, II. French still hold key to situation. They control city of Saigon. They can keep Hinh under wraps

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## TOP SECKET

- C. Made it obvious he shared view best French bet was try hold Cochinchina as disguised protectorate.
- D. La Chambre sees US proposal to give direct aid to Vietnam before crisis solved as violation of Washington agreement.
- E. Said unilateral US action risked
  breaking Franco-American teamwork but
  "we prefer to lose in Vietnam with

  US rather than to win without them."
- F. La Chambre said Diem and Hinh reconciliation must be sought but premier should not be authorized to fire Hinn.
- G. Stressed urgent need of "efficient" government and cited as likely participants:
  - 1.) Buu Hoi, whose "leftist tendercies" worried him.

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## TOP SECRET

- 2.) Tam, whose pro-French reputation he conceded.
- 3.) Bay Vien, who "apparently show-ing signs of wanting to reform."
- H. Earlier, Mendes-France brought up
  idea of sending "viceroy" to Vietnam
  who "would have no power to interefere in government."
  - 1.) Only likely candidates are Buu
    Hoi and Buu Loc, both active in
    intrigues against Diem.
- IV. At least French and US agree that present situation made to order for Viet Minh.
  - A. La Chambre said all but major population centers slipping into Viet Minh hands.
  - B. Our army attache estimates that under present trend by late 1955 Viet Minh will dominate coalition government or have completely taken over all but cities.

